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**BRITISH COLUMBIA
UTILITIES COMMISSION**

**ORDER
NUMBER G-91-15**

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**IN THE MATTER OF
The Utilities Commission Act, R.S.B.C. 1996, Chapter 473**

and

**British Columbia Hydro and Power Authority
A Complaint filed by J.B.**

BEFORE: L. F. Kelsey, Commissioner
C. A. Brown, Commissioner
K. A. Keilty, Commissioner
D. M. Morton, Commissioner
May 28, 2015

O R D E R

WHEREAS:

- A. On January 12, 2015, a customer (J.B.) of British Columbia Hydro and Power Authority (BC Hydro) filed a complaint with the British Columbia Utilities Commission (Commission) concerning a bill for J.B.'s residential rental property in the amount of \$616.19 for electricity consumption at his rental property during a vacant period. J.B. disputes these bills because BC Hydro left the power on for an unreasonable amount of time and failed to notify him of the unsigned account (Complaint);
- B. On January 23, 2015, BC Hydro provided a response to the J.B. Complaint;
- C. J.B. submitted additional information to BC Hydro through the Commission complaints process on February 12, 2015. BC Hydro provided a second response on April 15, 2015 and J.B. responded on May 14, 2015; and
- D. The Commission reviewed the Complaint and the submissions received.

NOW THEREFORE pursuant to sections 63 and 83 of the *Utilities Commission Act*, sections 2.1 and 2.2 of the British Columbia Hydro and Power Authority (BC Hydro) Electric Tariff and for the reasons attached to this order as Appendix A, the Commission determines that BC Hydro is only authorized to bill J.B. for 1,500 kWhs, the threshold when BC Hydro initiates an unsigned account review at a residential premise. BC Hydro is directed to waive all other charges billed to J.B. for the period December 22, 2010 to May 31, 2014.

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DATED at the City of Vancouver, in the Province of British Columbia, this 29th day of May 2015.

BY ORDER

Original signed by:

D. Morton
Commissioner

Attachment

British Columbia Hydro and Power Authority
A Complaint filed by J.B.

REASONS FOR DECISION

1.0 COMPLAINT OVERVIEW

On January 12, 2015, the British Columbia Utilities Commission (Commission) received a complaint from J.B., the landlord of a residential property in Abbotsford, BC. The complaint is regarding a bill he received for a period when his rental property was vacant between two tenants (the bill totaled \$616.19). J.B. submits that he should not be responsible for the charges because British Columbia Hydro and Power Authority (BC Hydro) left the power on for an unreasonable amount of time and failed to notify him of the unsigned account (Complaint).¹

In response to the Complaint, BC Hydro reviewed the account and determined that the last tenant at this premise closed their account on December 21, 2010.² BC Hydro submits that as there was minimal consumption at the premise after the account was closed, it continued to serve the property as a courtesy in case a new tenant applied for service and because it is cost-prohibitive to dispatch crews to disconnect the service immediately.³ When more consumption began to register, BC Hydro sent Application for Service Final Notices to the premise on February 11, 2012, March 7, 2013 and May 5, 2013.⁴ As there was no response to the notices, the service was disconnected on May 27, 2013.⁵

When the new tenant applied for service on June 30, 2014, BC Hydro required landlord confirmation since the account was unsigned since December 21, 2010.⁶ According to BC Hydro, J.B. confirmed that he did not have a tenant at the premise after December 21, 2010...[and] he agreed to take responsibility for the vacant period from December 22, 2010 to May 31, 2014.⁷ Accordingly, the service was reconnected for the new tenant and the bill for the vacant period was issued. J.B. disagrees with BC Hydro's position that he agreed to take responsibility for the entire vacant period.⁸ Rather, J.B. states that he was advised by BC Hydro that there would be a \$129 charge for reconnection and he agreed to pay this charge only.⁹ In J.B.'s view if BC Hydro had dealt with this matter in a timely fashion the consumption would not have accumulated as it did resulting in the \$616.19 bill.¹⁰

¹ J.B., Email dated January 12, 2015 and February 12, 2015.

² BC Hydro, Email dated January 23, 2015.

³ Ibid.

⁴ Ibid.

⁵ BC Hydro, Email dated January 23, 2015 and April 15, 2015.

⁶ BC Hydro, Email dated January 23, 2015.

⁷ Ibid.

⁸ J.B., Email dated May 14, 2015.

⁹ J.B., Email dated January 12, 2015 and February 12, 2015.

¹⁰ J.B., Email dated February 12, 2015.

According to BC Hydro's internal review process for unsigned accounts, BC Hydro issues an Application for Service Notice on the seventh day after an account is closed advising the prospective tenant to apply for service.¹¹ If no response is received after 1,500 kWh of consumption is registered, BC Hydro may make further attempts to contact the responsible party and "after multiple unsuccessful attempts, the service may be disconnected."¹²

After further review of the Complaint, BC Hydro identified an error in the unsigned account review process for this account. According to BC Hydro, the error occurred after the meter at the premise was exchanged with a new smart meter on March 22, 2012.¹³ As a result of the meter exchange, the unsigned account review process was restarted and the 1,500 kWh threshold was reset to zero, further delaying the disconnection. For this reason BC Hydro proposed to amend the date that J.B. was responsible for electricity charges at the premise to March 22, 2012. This would result in J.B. being responsible for 2,928 kWh of electricity consumption instead of 6,594 kWh as originally billed for the entire period.¹⁴ BC Hydro proposed to write-off the remaining 3,666 kWh as "vacant consumption."¹⁵

J.B. was not satisfied with the proposed resolution and reiterated that he should only be held responsible for the \$129 that he agreed to pay when he contacted BC Hydro on June 30, 2014.¹⁶

2.0 LEGAL FRAMEWORK

2.1 Utilities Commission Act

Section 63: A public utility must not, without the consent of the Commission, directly or indirectly, in any way charge, demand, collect or receive from any person for a regulated service provided by it, or to be provided by it, compensation that is greater than, less than or other than that specified in the subsisting schedules of the utility applicable to that service and filed under this Act.

Section 83: If a complaint is made to the Commission, the Commission has powers to determine whether a hearing or inquiry is to be had, and generally whether any action on its part is or is not to be taken.

¹¹ BC Hydro, Email dated April 15, 2015.

¹² Ibid.

¹³ Ibid.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ J.B., Email dated May 14, 2015.

2.2 BC Hydro Electric Tariff

Section 2.1. Application for Service (in part)

“...a contractual relationship shall be established by the taking of Electricity in the absence of an application for service or signed service agreement.”

Section 2.2. Term of Service

Unless otherwise specifically provided in these Terms and Conditions, the Rate Schedules, or any service agreement between BC Hydro and the Customer, the term of service and obligation to pay the rates under the applicable Rate Schedules and any charges pursuant to these Terms and Conditions shall commence:

- (a) in the case of Premises requiring physical connection or re-connection of service, on the day when BC Hydro's service is connected to the Point of Delivery for the purpose of supplying Electricity; or
- (b) in the case of already connected Premises, on the day the Customer's right to possession of the Premises commences.

and shall continue for an indefinite period thereafter until terminated by either party in accordance with these Terms and Conditions.

3.0 COMMISSION DETERMINATION

The Commission has reviewed the information provided by BC Hydro and J.B. and determines that, **for the reasons set out below, in accordance with sections 63 and 83 of the *Utilities Commission Act*, and sections 2.1 and 2.2 of the Electric Tariff, BC Hydro is only authorized to bill J.B. for 1,500 kWhs, the threshold when BC Hydro initiates an unsigned account review at a residential premise. Therefore, all other charges billed to J.B. must be waived for the following period: December 22, 2010 to May 31, 2014.**

The tenant vacated J.B.'s premise and closed the BC Hydro account on December 22, 2010. J.B., the landlord, assumed the service would be disconnected after the account was closed by the tenant. Accordingly, J.B. did not contact BC Hydro to set-up an account, nor did he contact BC Hydro to close the account because he assumed the tenant closing the account would result in the service being disconnected.

Pursuant to section 2.1 of the Electric Tariff a contractual relationship is established by the taking of electricity and pursuant to section 2.2 of the Electric Tariff, a customer is obligated to pay the approved rates from the day the customer's right to possession commences until the service agreement is terminated by either party.

J.B., as the landlord and owner of the premise, effectively applied for service the day after the account was terminated by the tenant because, under section 2.1 of the tariff, an application for service or “a contractual relationship shall be established by the taking of Electricity in the absence of an application for service or signed service agreement.” The consumption during the vacant period while correctly charged to the landlord is still defined as unsigned consumption as the landlord has not expressly applied for service. Under section 2.2 of the tariff J.B.’s right to possession of the premise also occurred the day after the account was terminated by the tenant, and thus the term of service and obligation to pay the rates applied to J.B. as of that day.

However, the question of this complaint is whether it is reasonable for BC Hydro to allow unsigned consumption to endure indefinitely. BC Hydro’s internal policy is that at 1,500 kWh of unsigned consumption BC Hydro may take further action to disconnect the premise. This BC Hydro internal policy indicates that there is a threshold at which to check whether unsigned consumption should continue. BC Hydro failed to take appropriate action according to its internal policy and did not disconnect the service. BC Hydro’s threshold of 1,500 kWhs was exceeded by approximately 4,500 kWhs and no response to the Application for Service Notices was received, yet BC Hydro continued to provide service for over two years without a signed account. Accordingly, it is unreasonable to hold the landlord responsible for the consumption over the entire vacant period.

Given that BC Hydro failed to follow its internal policies regarding unsigned accounts and failed to disconnect the unsigned account in a timely manner, the Commission finds that BC Hydro must take some responsibility for the lengthy delay in disconnecting the service. As such, J.B. shall only be billed up to the threshold when the unsigned account review process is to proceed (1,500 kWh). Therefore, BC Hydro is only authorized to bill J.B. for 1,500 kWh of electricity consumption during the vacant period (December 22, 2010 to May 31, 2014) and all other charges during this period must be waived.